UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress ¹

[Date approved: January 30, 2006]²

Bill No. and sponsor: HR 3635 (Ms. Ellen Tauscher of California)
Proponent name, location: Various canned seafood distributors, nationwide. ³
Other bills on product (109th Congress only): None.
Nature of bill: Temporary duty suspension through December 31, 2008.
Retroactive effect: None.
Suggested article description(s) for enactment (including appropriate HTS subheading(s)):
Sardines, in oil, in airtight containers, neither skinned nor boned (provided for in subheading 1604.13.20).
Check one: X Same as that in bill as introduced. Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

The product is a seafood: sardines, prepared or preserved (except smoked sardines), neither skinned nor boned, imported in airtight containers, as provided for in HTS subheading 1604.13.20. U.S. imports in 2004 totaled 3.7 million kilograms, valued at \$10.8 million, up steadily from 2001 imports of 1.8 million kilograms, valued at \$5.0 million. The principal sources of U.S. imports of this product include Canada (84 percent of total value in 2004), Spain (9 percent), and Portugal (2 percent); most of these shipments entered free of duty under the North American Free Trade Agreement. There is only one U.S. producer of this product, so data on domestic production are not publicly available.

¹ Industry analyst preparing report: Roger Corey (202-205-3327); Tariff Affairs contact: Jan Summers (202-205-2605).

² An electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

³ Specific information about the bill's proponent is not available from the sponsor's office.

Estimated effect on customs revenue:

HTS subheading: <u>1604.13.20</u>						
\searrow	2005	2006	2007	2008	2009	
Col. 1-General rate of duty	15%	15%	15%	15%	15%	
Estimated value <i>dutiable</i> imports <u>1</u> /	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	
Customs revenue loss	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	

^{1/} No data are included on imports now entering free of duty or at reduced duty rates under U.S. free trade agreements or tariff preference programs; such imports may be affected by changes in the general duty rate on the subject goods.

Source of estimated dutiable import data: Commission estimates based on data provided by industry and year-to-date trade in 2005.

Contacts with domestic firms/organizations (including the proponent):⁴

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?
		(Yes/No)		
Government Affairs Representative, National Fisheries Institute, McLean, VA 703-752-8880	11/01/2005	Yes	No	No

Technical comments:⁵ None.

⁴ Because the proponent firm(s) could not be specifically identified, contact was made only with this association.

⁵ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

H. R. 3635

To suspend temporarily the duty on certain sardines in oil, in airtight containers, neither skinned nor boned.

IN THE HOUSE OF REPRESENTATIVES

July 29, 2005

Mrs. Tauscher introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To suspend temporarily the duty on certain sardines in oil, in airtight containers, neither skinned nor boned.

1	Be it enacted by the Senate and House of Representa-
2	tives of the United States of America in Congress assembled,
3	SECTION 1. CERTAIN SARDINES IN AIRTIGHT CONTAINERS.
4	(a) In General.—Subchapter II of chapter 99 of
5	the Harmonized Tariff Schedule of the United States is
6	amended by inserting in numerical sequence the following
7	new heading:

"	9902.16.01	Sardines, in oil, in airtight					ĺ
		containers, neither skinned					İ
		nor boned (provided for in					İ
		subheading 1604.13.20)	Free	No change	No change	On or before	İ
						12/31/2008	".

- 1 (b) Effective Date.—The amendment made by
- 2 subsection (a) applies to goods entered, or withdrawn from
- 3 warehouse for consumption, on or after the 15th day after

4 the date of enactment of this Act.

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